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BEFORE THE ARIZONA CORPORATION C. 1 COMMISSIONERS 2 KRISTIN K. MAYES, Chairman 2010 JAN 15 ₽ 2:31 **GARY PIERCE** 3 PAUL NEWMANSICH SANDRA D. KENNEDY **BOB STUMP** 5 DOCKET NO. RT-00000H-97-0137 IN THE MATTER OF THE REVIEW AND POSSIBLE REVISION OF ARIZONA UNIVERSAL SERVICE FUND RULES, 7 ARTICLE 12 OF THE ARIZONA ADMINISTRATIVE CODE DOCKET NO. T-00000D-00-0672 IN THE MATTER OF THE INVESTIGATION OF THE COST OF TELECOMMUNICATIONS STAFF'S NOTICE OF FILING ERRATA **ACCESS** 10 11 Staff of the Arizona Corporation Commission ("ACC Staff") filed the Direct Testimony of 12 Wilfred Shand on January 8, 2010. Staff is filing this Errata to make the corrections to Mr. Shand's 13 Direct Testimony that are identified on Exhibit A attached hereto. 14 RESPECTFULLY SUBMITTED this 15th day of January, 2010. 15 16 17 18 Maureen A. Scott, Senior Staff Counsel Legal Division 19 1200 West Washington Street Phoenix, Arizona 85007 20 (602) 542-3402 21 22 Arizona Corporation Commission DOCKETED 23 Original and fifteen (15) copies of the foregoing filed this 24 JAN 1 5 2010 15th day of January, 2010 with: 25 Docket Control **DOCKETED** BY Arizona Corporation Commission 26

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Copies of the foregoing mailed this OrbitCom, Inc. 15th day of January, 2010: Brad VanLeur, President 1701 North Louise Avenue Dan Pozefsky, Chief Counsel Sioux Falls, South Dakota 57107 Residential Útility Consumer Office 1110 West Washington, Suite 220 Thomas Campbell 4 | Phoenix, Arizona 85007 Michael Hallam Lewis and Roca LLP Norman Curtright 40 North Central Avenue Reed Peterson Phoenix, Arizona 85004-4429 **Qwest Corporation** 20 East Thomas Road, 16th Floor Phoenix, Arizona 85012 Arizona Payphone Association c/o Gary Joseph Craig A. Marks **Sharenet Communications** Craig A. Marks, PLC 4633 West Polk Street 10645 North Tatum Boulevard Phoenix, Arizona 85043 Suite 200-676 10 | Phoenix, Arizona 85028 Nathan Glazier Michael W. Patten Regional Manager Roshka DeWulf & Patten, PLC Alltel Communications, Inc. 12 One Arizona Center 4805 East Thistle Landing Drive 400 East Van Buren, Suite 800 Phoenix, Arizona 85044 13 Phoenix, Arizona 85004 Lyndall Nipps 14 Mark A. DiNunzio Vice President, Regulatory 15 Cox Arizona Telcom, LLC Time Warner Telecom 1550 West Deer Valley Road 845 Camino Sur 16 MS DV3-16, Building C Palm Springs, California 92262 Phoenix, Arizona 85027 17 Joan S. Burke, Esq. Jeffrey Crockett Law Office of Joan S. Burkes 18 Bradley S. Carroll 1650 North First Avenue Snell & Wilmer, LLP 19 Phoenix, Arizona 85003 One Arizona Center Phoenix, Arizona 85004 20 Rex Knowles Executive Director – Regulatory Charles H. Carrathers, III General Counsel, South Central Region **XO** Communications **Suite 1000** 22 Verizon, Inc. 111 East Broadway HQE03H52 23 Salt Lake City, Utah 84111 600 Hidden Ridge Irving, Texas 75015-2092 24 William Haas McLeodUSA dba PAETEC Business Services Arizona Dialtone, Inc. Thomas W. Bade, President 1 Martha's Way 6115 South Kyrene Road, Suite 103 Hiawatha, Iowa 52233 26 Tempe, Arizona 85283 27

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EXHIBIT A

1-8-10 Wilfred Shand Direct Testimony Errata

I. Executive Summary

A. Pages 2 and 3, Question 3, Replace Alternative B paragraphs 2 and 3 with the following:

AUSF surcharge in place until the company's rates have been addressed by the Commission in a rate case. Within 3 months of the Commission's Decision, the company may file for AUSF support on a revenue neutral basis. The amount of the surcharge would be equal to the amount of the carrier's reduction in access charges. Such application would include financial information sufficient for the Commission to make a fair value finding and fair value rate or return determination.

Beginning twelve months after a Commission decision granting the temporary AUSF support, companies would be required to file a rate case or rate review filing pursuant to A.A.C. R14-2-103. The company may elect to reduce its access charges on its own without AUSF support in which case it would not be required to file a rate case, unless it wants authorization to change other rates and charges. Staff recommends filing on a staggered basis due to Staff resource constraints. Staff recommends the following schedule for the ALECA members' filings:

B. Pages 5, Question 11:

Replace:

"on intrastate long distance revenues, and on interconnection trunks."

With:

"on intrastate long distance revenues, access lines and on interconnection trunks."

II. Direct Testimony

- A. Page 2, Line 18:
 Delete "second" and insert "step"
- B. Page 5, Line 23: Delete unnecessary "."
- C. Page 5, Line 25:
 Delete "(FCC)" and insert "FCC"

- D. Page 7, Line 6:
 Delete "T" and insert "t" and delete "1"
- E. Page 7, Footnote 4: Delete unnecessary ","
- F. Page 10, end of Line 21, Insert following footnote: "Ibid, Paragraph 26."
- G. Page 10, end of Line 32, Insert following footnote: "Ibid, Paragraph 27."
- H. Page 11, end of Line 10, Insert following footnote: "Ibid, Paragraph 40."
- I. Page 14, Line 19: Delete "and" and insert "an"
- J. Page 14, Line 30: Delete "that"
- K. Page 15, Line 16: Change "reduce" to "reduced"
- L. Page 18, Line 22: Reformat to eliminate Bold and Italic
- M. Page 19, Line 15:

Delete the following:

"With the exception of Midvale Telephone Exchange, Qwest is the only incumbent local exchange company to have its rates examined in the last ten years."

Replace with the following:

"Qwest is the only incumbent local exchange company to have its rates examined in almost ten years."

- N. Page 22, Line 17: Delete "3-146" and insert "3-136"
- O. Page 26, Line 9: Delete duplicative "that"

P. Delete Page 27, Line 23 to Page 27, Line 41 and insert the following:

AUSF surcharge in place until the company's rates have been addressed by the Commission in a rate case. Within 3 months of the Commission's Decision, the company may file for AUSF support on a revenue neutral basis. The amount of the surcharge would be equal to the amount of the carrier's reduction in access charges. Such application would include financial information sufficient for the Commission to make a fair value finding and fair value rate or return determination.

Beginning twelve months after a Commission decision granting the temporary AUSF support, companies would be required to file a rate case or rate review filing pursuant to A.A.C. R14-2-103. The company may elect to reduce its access charges on its own without AUSF support in which case it would not be required to file a rate case, unless it wants authorization to change other rates and charges. Staff recommends filing on a staggered basis due to Staff resource constraints. Staff recommends the following schedule for the ALECA members' filings:

Q. Pages 30, Line 22:

Replace:

"on intrastate long distance revenues, and on interconnection trunks."

With:

"on intrastate long distance revenues, access lines and on interconnection trunks."